

**REMARKS**

**I. Formalities**

The Examiner has failed to initial the last reference cited in the PTO-1449 form submitted with the IDS filed on March 6, 2002, as previously requested. Accordingly, Applicant again requests that the Examiner sign the aforementioned PTO 1449 Form, initial all the references cited therein, and return it along with the next office paper.

Also, the Examiner also did not indicate whether the Formal Drawings filed on September 6, 2000 have been accepted, as previously requested. Applicant again requests that the Examiner acknowledge and approve the aforementioned Formal Drawings.

**II. Status of the Application**

Claims 1-9 are all the claims pending in the application, with claims 1-3 and 5 being in independent form. Claims 1-9 have been rejected.

The present Response addresses each point of objection and rejection raised by the Examiner. Favorable reconsideration is respectfully requested.

**III. Claim Rejections - 35 U.S.C. § 102**

The Examiner has maintained his rejection of claim 1 under 35 U.S.C. § 102(e) as being anticipated by Bhaskaran. Specifically, with respect to the arguments advanced in the Amendment filed on September 21, 2004, the Examiner acknowledges that Bhaskaran does not expressly disclose or suggest the feature of a transmitting device which transmits a secret key from an external recording medium, as recited in Applicant's claim 1. (See 01/27/2005 Office

Action, page 2). Nevertheless, the grounds of rejection allege that Bhaskaran inherently teaches this feature. (*See* 01/27/2005 Office Action, page 2).

More particularly, the grounds of rejection allege that Bhaskaran discloses that the digital image processing block 24, located within the digital camera 20, may perform watermarking techniques using hardware or software. (*See* 01/27/2005 Office Action, page 2). As a result, the grounds of rejection allege that, as disclosed in Bhaskaran, it is inherent that the watermarking techniques are transmitted from the storage devices 207 and 210, in addition to being transmitted to the CPU 31. (*See* 01/27/2005 Office Action, page 2). Moreover, the grounds of rejection allege that because Bhaskaran discloses that a variety of watermarking techniques may be used, it is inherent that each watermarking technique has an associated secret key. (*See* 01/27/2005 Office Action, page 2). Consequently, the grounds of rejection allege that, as disclosed in Bhaskaran, it is inherent that a secret key is transmitted from the storage devices 207 and 210 along with an associated watermarking technique.

Applicant respectfully disagrees with the grounds of rejection. MPEP § 2112 requires that, in relying upon the theory of inherency, the Examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent feature necessarily flows from the teachings of the applied prior art. (MPEP § 2112). Thus, the mere fact that a certain feature may occur or be present in the prior art is not sufficient to establish the inherency of that feature. (MPEP § 2112).

Contrary to the allegations set forth in the grounds of rejection, as disclosed in Bhaskaran, the watermarking techniques and the associated secret keys disclosed therein may be

implemented in processing block 24 by some means other than being transmitted from the storage devices 207 and 210. For example, the watermarking techniques and the associated secret keys may be previously stored in a memory of the digital camera 20. And, as explained in the present specification, in the case where the secret key is previously stored in a memory of the apparatus, since the secret key cannot be replaced with new secret key, the degree of security is lowered as compared with the case where the secret key is transmitted from an external recording medium. (*See* page 11, lines 8-27).

Therefore, as disclosed in Bhaskaran, the watermarking techniques and the associated secret keys are not necessarily transmitted from the storage devices 207 and 210 and thereby installed in processing block 24. Consequently, contrary to the allegations set forth in the grounds of rejection, Bhaskaran does not inherently disclose that the watermarking techniques and the associated secret keys are transmitted from an external recording medium, as required by claim 1.

Accordingly, since the feature of transmitting a secret key from an external recording medium does not necessarily flow from the teachings of Bhaskaran, the grounds of rejection have not established the requisite factual basis to support the allegation that this feature is inherently disclosed by Bhaskaran. Thus, Applicant respectfully submits that independent claim 1 is patentable over the applied Bhaskaran reference for *at least* these independent reasons. Hence, Applicant respectfully requests that the Examiner withdraw this rejection.

**IV. Claim Rejections - 35 U.S.C. § 103**

The Examiner has maintained his rejection of claims 2-9 under 35 U.S.C. § 103, alleging that the Bhaskaran reference constitutes available prior art under both 35 U.S.C. § 102(a) and 35 U.S.C. § 102(e). However, Applicant submits that the priority date of the present application (September 6, 1999) is earlier than the issue date of the cited Bhaskaran reference (May 16, 2000).

As such, Applicant hereby perfects the instant Application's claim of priority to Japanese Application Hei. 11-251660 by submitting a verified English language translation of Japanese Application Hei. 11-251660 along with the present Response. As a result of perfecting the instant Application's claim of priority, Bhaskaran is no longer available as prior art to the instant Application under 35 U.S.C. § 102(a), and is therefore only available as a prior art reference as of its filing date under 35 U.S.C. § 102(e). Further, since the present invention and Bhaskaran were commonly owned by Seiko Epson Corporation at the time of the making of the present invention, Bhaskaran is therefore not available as prior art under 35 U.S.C. § 103(c), and the Examiner's rejections are improper.

**V. Conclusion**

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

**Response Under 37 C.F.R. § 1.116**  
**U.S. Serial No. 09/656,215**

**Attorney Docket No.: Q60744**

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

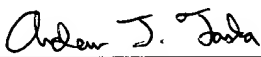
Respectfully submitted,

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Date: July 26, 2005